

P.O. Box 11263 Columbia, S.C. 29211

November 8, 2006

VIA E-FILING & HAND DELIVERY

The Honorable Charles L.A. Terreni Chief Clerk/Administrator South Carolina Public Service Commission 101 Executive Center Dr., Suite 100 Columbia, SC 29210

Re:

Application of Wyboo Plantation Utilities, Incorporated for Approval of New

Schedule of Rates and Charges for Water and Sewer Services

Docket No. 2005-13-WS

Dear Mr. Terreni:

Enclosed please find the original and one copy of the Office of Regulatory Staff's Motion to Require Wyboo Plantation Utilities, Inc. to Demonstrate Prudency of Affiliate Transactions in the above referenced docket.

Please note that the attached documents are exact duplicates, with the exception of the form of the signature, of the e-filed copy submitted to the Commission in accordance with its electronic filing instructions.

By copy of this letter we are also serving all other parties of record. Please let me know if you have any questions.

Sincerely,

wendy B. Cartledge

Wendy B. Cartledge

WBC/pjm Enclosures

cc:

John F. Beach, Esquire Charles H. Cook, Esquire Robert E. Tyson Jr., Esquire

BEFORE

THE PUBLIC SERVICE COMMISSION

OF SOUTH CAROLINA

DOCKET NO. 2005-13-W/S

IN RE: Application of Wyboo Plantation)	
Utilities, Inc. for Approval of New)	Office of Regulatory Staff's Motion
Schedule of Rates and Charges for)	to Require Wyboo Plantation Utilities,
Water and Sewer Services)	Inc. To Demonstrate Prudency of Affiliate
	_)	Transactions

Pursuant to 26 S.C. Code Ann. Regs 103-840 (1976) and other applicable law, the Office of Regulatory Staff ("ORS") respectfully submits this Motion for an Order compelling Wyboo Plantation Utilities, Inc. ("WPU") to (1) identify all payments made to or collected by its affiliate Wrigley & Associates ("Wrigley") relating to the provision of water/wastewater services by WPU, and (2) establish the prudency of those and other affiliate transactions. In support of said Motion, ORS would show the following:

- 1. ORS propounded four separate sets of data requests to WPU.
- 2. ORS auditors and/or water/wastewater personnel conducted on-site examinations of WPU's books and records on September 21, 26, 27, 29, October 4 and October 19, 2006.
 - 3. ORS has met with several WPU customers.
- 4. Mark Wrigley, owner and President of WPU, is the owner and President of Wrigley & Associates, Inc.
- 5. Based on the information gathered from the data requests, the on-site visits, and through meetings with WPU customers, various payments (such as fees referred to as "tap fees") have been made by WPU customers to Wrigley & Associates, Inc., an unregulated affiliate rather

than to WPU, the regulated utility.

Mr. Sternberg's pre-filed testimony states that WPU customers are required to 6.

make payments to Wrigley & Associates, Inc. or the customers will not receive utility services

from WPU. (See Testimony, Robert A. Sternberg, November 8, 2006, page 2, 1l. 16-17).

ORS respectfully requests that the Commission issue an Order compelling WPU 7.

to (1) identify to the Commission all payments made to or collected by its affiliate Wrigley &

Associates, Inc. relating to regulated services provided by WPU, and (2) establish to the

satisfaction of the Commission the prudency of those and other affiliate transactions.

WHEREFORE, ORS requests the following relief:

That the Commission grant ORS's Motion and issue an Order compelling WPU 1.

to (1) identify to the Commission all payments made to or collected by its affiliate Wrigley &

Associates, Inc. relating to regulated services provided by WPU, and (2) establish to the

satisfaction of the Commission the prudency of those and other affiliate transactions; and

That the Commission order any other appropriate action the Commission may 2.

deem necessary.

OFFICE OF REGULATORY STAFF

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Columbia, South Carolina November 8, 2006

BEFORE

THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA DOCKET NO. 2005-13-WS

IN RE:)	
)	
Application of Wyboo Plantation Utilities,)	
Incorporated for Approval of New Schedule)	CERTIFICATE OF
Of Rates and Charges for Water and Sewer)	SERVICE
Services)	

This is to certify that I, Pamela J. McMullan, an employee with the Office of Regulatory Staff, have this date served one (1) copy of the MOTION TO REQUIRE WYBOO PLANTATION UTILITIES, INC. TO DEMONSTRATE PRUDENCY OF AFFILIATE TRANSACTIONS in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

John F. Beach, Esquire Ellis Lawhorne & Sims, PA Post Office Box 2285 Columbia, SC 29202

Charles H. Cook, Esquire Elliott & Elliott, P.A. 721 Olive Street Columbia, SC, 29205

Robert E. Tyson Jr., Esquire Sowell Gray Stepp & Laffitte, LLC Post Office Box 11449 Columbia, SC, 29211

Pamela I McMullan

November 8, 2006 Columbia, South Carolina